

Bill would put common sense economics into place

Washington, D.C. – Today, Rep. Charlie Wilson (OH-6) voted to rein in Wall Street, end taxpayer bailouts of big banks, and create a consumer financial protection bureau that puts consumers first. The Dodd-Frank Wall Street Reform and Consumer Protection Act will end the era of abuses by mega banks and do away with “too big to fail.”

“Wall Street greed ended up costing the American people 8 million jobs and \$17 trillion in retirement savings and net worth,” Wilson said. “This comprehensive bill takes a hard look at the recent financial crisis that nearly took this whole country down. It unwinds that crisis, addresses its roots step by step and puts consumers first.”

The Wall Street Reform and Consumer Protection Act will help prevent the risky financial practices that led to the financial meltdown and stop large financial firms from gambling with Americans’ retirement and college savings and home values. In addition, taxpayers will no longer pay the price for Wall Street’s irresponsibility. The bill creates a process to shut down large, failing firms whose collapse would put the entire economy at risk. After exhausting all of the company’s assets, additional costs would be covered by a “dissolution fund,” to which all large financial firms would contribute.

The bill will create the Consumer Financial Protection Bureau (CFPB), a new consumer watchdog devoted to protecting Americans from unfair and abusive financial practices. This independent bureau will provide clear and accurate information to families and small businesses to ensure that bank loans, mortgages, and credit cards are fair and affordable. Just like the FDA does for medical safety, the CFPA will set safety standards to prevent practices such as hidden credit card fees, deceptive “fine print,” and other financial abuses that have escaped oversight to date.

“This bill puts referees back on the field,” Wilson said. “And we all know you can’t play a fair game without good rules and good referees. This is about protecting working families. I just wish more Republicans had been with us on this; this was a golden opportunity to work together to protect our economy and protect working families. I’m disappointed they sided with big banks and Wall Street.”

In addition, the bill includes two initiatives that Wilson has worked on and sponsored in the House Financial Services Committee, where he serves. First, the bill contains additional money for the Neighborhood Stabilization Program (NSP) which provides demolition funds to communities that have experienced high rates of foreclosures and abandonment.

“I successfully fought to allow NSP funding to be spent on knocking down dilapidated and hazardous properties. This standard became law in 2008 and will be applied to the NSP funding in this bill. This will allow states to do demolition where it’s needed most in order to protect home values and homeowners,” Wilson said.

Secondly, the bill includes language that mirrors Wilson’s long-standing priorities on proper home appraisal standards. “I’m proud that this comprehensive bill includes the standard I helped shape that clearly outlines unacceptable practices when it comes to influencing home appraisals. Unfair appraisals have led to some families actually owing more on their mortgage than their house is worth. That’s bad for working families, for communities and for our economy.”

The bill has been endorsed by the AARP, Consumer Federation of America, Consumers Union, Council of Institutional Investors, National Fair Housing Alliance, National Restaurant Association, Public Citizen, SEIU, and US PIRG, among other organizations. The bill was publicly debated for more than 50 hours, and includes over 70 Republican and bipartisan amendments.

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